

## Message Text

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PAGE 01 PEKING 01845 160135Z

11

ACTION EA-06

INFO OCT-01 SS-14 ISO-00 EB-03 L-01 INR-05 CIAE-00 TRSE-00

OMB-01 H-01 SP-02 NSC-05 NSCE-00 /039 W

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R 150935Z SEP 76

FM USLO PEKING

TO SECSTATE WASHDC 6380

INFO AMEMBASSY TAIPEI

AMEMBASSY TOKYO

AMCONSUL HONG KONG

C O N F I D E N T I A L PEKING 1845

LIMDIS

E.O.11652: GDS

TAGS: EFIN, CH, TW, US

SUBJECT: PRC ACTION AGAINST AMERICAN EXPRESS

REF: A) PEKING 1400, B) PEKING 1401

1. MEMBERS OF THE SCHLESINGER PARTY WHO ATTEMPTED TO CASH AMERICAN EXPRESS TRAVELERS' CHECKS SEPTEMBER 13 WERE TOLD BY THE BANK OF CHINA OFFICE IN THE PEKING HOTEL THAT THE BANK NO LONGER ACCEPTED AMERICAN EXPRESS CHECKS. ALTHOUGH THE HEAD OFFICER OF THE BANK OF CHINA LATER GAVE PERMISSION FOR CASHING THE CHECKS, IT WAS MADE CLEAR THAT IT WAS A SPECIAL EXCEPTION TO A GENERAL RULE. THE REASON GIVEN THE SCHLESINGER GROUP WAS THAT NOT ONLY HAD AMERICAN EXPRESS JOINED THE US/ROC ECONOMIC COUNCIL, BUT THAT HOWARD CLARK, ITS CHAIRMAN, HAD MADE A SPEECH ON TAIWAN WHICH THE PRC FOUND UNACCEPTABLE.

2. WE HAVE ASKED TO CALL ON THE BANK OF CHINA TO DISCUSS THE TRAVELERS' CHECK PROBLEM, BUT THE CALL HAS BEEN DELAYED UNTIL THE END OF THE MOURNING PERIOD. COMMENT: THE PRC APPARENTLY DID NOT GET THE RESPONSE  
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IT WANTED FROM AMERICAN EXPRESS AND IS TAKING A TOUGH LINE WITH THE BANK, AS IT DID WITH THE FNCB OVER

THE LIQUIDATION OF ITS SHANGHAI BRANCH. WE HOPE THAT THIS DOES NOT PRESSAGE A RETURN TO THE "FOUR CONDITIONS" ON FOREIGN TRADE DESIGNED TO FORCE FOREIGN FIRMS TO CHOOSE BETWEEN THE PRC AND TAIWAN.

3. THE DAPARTMENT MAY WISH TO BRING THIS DEVELOPMENT TO THE ATTENTION OF CHRISTOPHER PHILLIPS OF THE NCUSCT. GATES

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## Message Attributes

**Automatic Decaptioning:** Z  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** BANK SERVICES, BOYCOTTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 15 SEP 1976  
**Decaption Date:** 28 MAY 2004  
**Decaption Note:** 25 YEAR REVIEW  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** ElyME  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976PEKING01845  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D760349-0696  
**From:** PEKING  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19760958/aaaabxjk.tel  
**Line Count:** 69  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EA  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** LIMDIS  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** LIMDIS  
**Reference:** 76 PEKING 1400, 76 PEKING 1401  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ElyME  
**Review Comment:** n/a  
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**Review Date:** 21 MAY 2004  
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**Secure:** OPEN  
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**Subject:** PRC ACTION AGAINST AMERICAN EXPRESS  
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